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8 February 1956

MEMORANDUM FOR: Legislative Counsel

SUBJECT : Proposed CIA Legislation

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1. Mr. [] of this Office and I met with Wardle Cameron and Edward Iyerly of the Legal Advisor's Office of the Department of State on 6 February. Also present was [] of the Personnel Office. The purpose of our meeting was to discuss the specific wording of the proposed Foreign Service Act Amendments and our legislation. Generally the discussion was confined to the technical aspects and application of the differing versions of provisions designed to accomplish the same objective. In addition, we did discuss the possible effects of an Overseas Allowance Act. The Department of State position is substantially to the effect that if any of the provisions in an Overseas Allowance Act are broad enough and equal to similar provisions of the Foreign Service Act, they would have no objection to being covered by the Overseas Allowance Act with respect to such provisions and repeal of the related Foreign Service Act provisions.

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2. Mr. [] and I met on 7 February with Mr. Roland D. Severy, Mr. C. Spencer Platt, and Mr. Lyman C. Hamilton of the Bureau of the Budget to discuss further our bill. It was explained to them that we have recast the bill considerably and made several minor changes in part adopting certain of their suggestions. The discussion related to each Section will follow:

a. **SECTION 1.** They were informed that this Section remained the same as originally presented and dealt with logistics aspects.

b. **SECTION 2.** It was pointed out that a review of the proposed bill as we had originally presented it together with possible changes suggested by Philip Young had resulted in our new Section 2 which simply rewrites Section 5 of Public Law 110.

CONFIDENTIAL

c. We pointed out that in Section 5 (a) we were continuing to delete territories and possessions and that in addition we had deleted reference to permanent duty assignment which eliminated the need for Sec. 11 of the proposed bill.

d. Section 5 (a)(1) is identical to Sec. 5(a)(1)(A) of P. L. 110.

e. Sections 5 (a)(2), (3), and (4) are merely existing provisions 5(a)(1)(B), 5(a)(1)(C), and 5(a)(4) respectively, of P. L. 110.

f. Section 5 (a)(5) is the question of storage without regard to emergency conditions. This was Sec. 3 of the proposed bill which amends Sec. 5(a)(1)(D) of P. L. 110. We advised that we had not incorporated the suggested language of 241 (b) of the 14 June 1955 draft of the Overseas Allowance Act since it had so much more wording. Similarly as to 5 (a)(6), which is the existing Sec. 5(a)(1)(E) of P. L. 110, we had not adopted the new language. However, we did advise that the objectives in our current bill and in the proposed Overseas Allowance Act are the same and possibly there is ground for compromise on the language but, in any event, we would not stand firm on our language if they insist. Severy said he would check into this matter further and advise us.

g. Section 5 (a)(7) is simply the existing Sec. 5(a)(1)(F) of P. L. 110.

h. Section 5 (a)(8) repeats verbatim the language of Sec. 4 of the proposed bill as we had presented it.

i. Section 5 (a)(9) is a verbatim repeat of the existing Sec. 5(a)(6) of P. L. 110.

j. Section 5 (b) is a new provision which we have borrowed from proposed legislation amending the Foreign Service Act and relates to commuted per diem. No adverse comments.

k. Section 5 (c) is similar to Sec. 5 in the proposed bill which amends Sec. 5(a)(2) of P. L. 110 except that we have included, at the suggestion of Philip Young, the transportation expenses of automobiles.

~~CONFIDENTIAL~~

1. Section 5 (d)(1) adjusts Sec. 6 of the proposed bill, which amended Sec. 5(a)(3)(A) of P. L. 110, to incorporate the suggestions made informally by Harvey Brown of Philip Young's office.

m. Sections 5 (d)(2) and (3) simply repeat existing Sections 5(a)(3)(B) and 5(a)(3)(C) of P. L. 110.

n. Section 5 (d)(4) is verbatim as presented in Sec. 7 of our proposed bill.

o. Section 5 (e)(1) relating to travel in the event of illness or injury has modified Sec. 8 of the proposed bill which amends Sec. 5(a)(5)(A) of P. L. 110 to meet Philip Young's suggestions relating to inclusion of maternity, deletion of "on assignment" and inclusion of the words "round trip". On our own we deleted the words "requiring hospitalization".

p. In Section 5 (e)(2) the wording is substantially the same as in Sec. 9 of the proposed bill which amends Sec. 5(a)(5)(C) of P. L. 110 but also leaves out the words "requiring hospitalization" as does the proposed bill amending the Foreign Service Act. Apparently there were no objections to the wording changes of (e) (1) and (2) but reservations are still in order on the basic policy point.

q. As to Section 5 (e)(3) we inserted physician or other medical personnel into Sec. 5(a)(5)(B) of P. L. 110 having adopted this from the Foreign Service Act Amendments of 1956.

r. Section 5 (e)(4) simply spells out that which was provided for in Sec. 10 of our proposed bill which amends Sec. 5(a)(5)(D) of P. L. 110.

s. Section 5 (f) is substantially Sec. 5(a)(7) of P. L. 110.

t. Section 5 (g), (h), and (i) are verbatim as presented in Sections 12, 13, and 14 of the proposed bill.

u. Sections 3, 4, 5, and 6 are verbatim as presented in Sections 15, 16, 17, and 18 of the proposed bill.

3. The general position of the Bureau of the Budget at this time on our bill is that they have not seen sufficient justification with respect to treating territories as foreign areas to approve this drastic change. However, they suggested that Lyman Hamilton be briefed specifically

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as to our needs here, discussing where the people are, the classes of employees, cover circumstances, and any other pertinent facts. Countering this suggestion, it was pointed out that basically the Agency had presented no formal justification, that the Sectional Analysis was not a justification but merely an explanation. Although it is true that at the first meeting at the Bureau of the Budget we did present justification, nevertheless that group at the Bureau of the Budget included many unclear personnel and many specifics and details were eliminated. Consequently, it was generally agreed that it would be desirable if the Agency could prepare a detailed justification on a clarifying basis and then discuss it with Lyman Hamilton and make it available to him. From that point on, we could possibly rely on Hamilton to explain the essence of our problem to those concerned in the Bureau of the Budget. It is this item which I feel needs urgent attention and presumably you will wish to request Personnel, either directly or through the DD/S, to initiate this effort. This Office will be pleased to assist in whatever way possible. In any event, I promised Hamilton that he would be contacted on this, one way or another, in the near future.

4. There was again inquiry into the basic Agency position as to separate legislation versus overall legislation. I attempted to explain by utilizing an example. I stated that if the present bill relating to extension of home leave benefits to all Government employees, H. R. 8320, were to become law we would have no objection to deleting a similar provision in our proposed legislation. In a similar way, as to any of the provisions which might be in an Overseas Allowance Act, if the specific items were broad enough to meet the needs of this Agency, we would have no objection to being covered by such legislation and either repeal of existing provisions of P. L. 110 or deletion of provisions in our proposed legislation. However, I reaffirmed the Agency position that we felt that we needed the items set forth in our bill and we felt we had a duty to present those needs and propose legislation to solve them without attempting to consider what may or may not happen in Government as a whole.

5. On the medical provisions, Mr. Platt indicated that within the Bureau of the Budget there would be an overall conference in approximately two weeks to consider the Government's insurance bill. Consequently they would not be in a position to furnish any policy guidance on these provisions until that time.

6. With respect to the retirement provisions, they again must reserve views and apparently there will be some type of overall conference on this matter immediately after the insurance bill. Mr. Platt said it would be a fair statement to state that we could not expect any final response for

at least three to four weeks. With respect to the retirement provisions, Mr. Platt specifically asked if this would solve all problems if we got it, having gained at some point an impression that we had other retirement problems particularly as they related to security. I assured him that this would meet our present needs although, of course, there will be individual cases which cause security problems but that in any event we would not be coming back in the near future for an entirely new approach to the retirement problem if we secured our present proposed legislation.

7. There was discussion concerning resubmission of our revised bill and it was agreed that we could simply leave with them a copy of the present draft. It might well be advisable to supply them with additional mimeographed copies as soon as they are ready. We are preparing here the mimeographed copies of the revised draft. Otherwise, I believe this memorandum brings you up to date on what we have done here and I would appreciate your advising me if there is anything else that you feel should be done by this Office.

(21)
JOHN S. WARNER
Deputy General Counsel

cc: ✓ BD/S
Personnel Office
Comptroller